

## **IC 23-14-51**

### **Chapter 51. The Investment and Use of Cemetery Funds**

## **IC 23-14-51-1**

### **Application of chapter**

23-14-51-1 Sec. 1. (a) Except as provided in subsection (b), this chapter does not apply to:

- (1) a cemetery owned by a municipal corporation or other governmental unit;
- (2) a religious cemetery; or
- (3) a cemetery:
  - (A) that is ten (10) acres or less in size;
  - (B) that is owned and operated entirely and exclusively by a nonprofit mutual association in existence on June 14, 1939; and
  - (C) in which burials have taken place before June 14, 1939.

(b) If a cemetery described in subsection (a)(3) directly or indirectly:

- (1) constructs or permits to be constructed any structure, above or below ground, and offers interment rights in the structure for sale to the general public; or
- (2) acquires:
  - (A) additional land; or
  - (B) an interest in additional land;

causing the cemetery to exceed ten (10) acres in size;

this chapter applies to the whole of the cemetery.

*As added by P.L.52-1997, SEC.25.*

## **IC 23-14-51-2**

### **Investment and reinvestment of money and assets**

23-14-51-2 Sec. 2. After June 14, 1939, a cemetery to which IC 23-14-48 applies shall invest and reinvest:

- (1) all money in the perpetual care fund of the cemetery; and
- (2) all other assets held in trust by the cemetery;

in property or securities that qualify for trust investments under IC 30-4-3-3(c).

*As added by P.L.52-1997, SEC.25.*

## **IC 23-14-51-3**

### **Loans from perpetual care fund prohibited**

23-14-51-3 Sec. 3. No loans or pledges of money or property shall be made from the perpetual care fund of a cemetery:

- (1) to or for the benefit of the owner of the cemetery; or
- (2) to any shareholder, officer, director, or employee of the cemetery.

*As added by P.L.52-1997, SEC.25.*

## **IC 23-14-51-4**

### **Fidelity bond**

23-14-51-4 Sec. 4. (a) This section applies to a cemetery if a

perpetual care fund or other trust account of the cemetery is not held in trust for the cemetery by a corporate trustee.

(b) The treasurer of the cemetery or other person or persons having custody of the fund or account shall furnish to a cemetery to which this section applies a fidelity bond that is:

- (1) issued by a corporate surety; and
- (2) payable to the cemetery in a penal sum at least equal to one hundred twenty-five percent (125%) of the value of the principal of the trust estate at the beginning of each calendar year.

(c) The bond required by this section shall be deposited with the auditor of the county in which the cemetery is located. The auditor shall do the following:

- (1) Examine the bond and ascertain that it complies with this chapter.
- (2) Annually examine the sufficiency of the bond and report to the prosecuting attorney of the county any failure of the cemetery owner to comply with this chapter.

(d) For the services provided under subsection (c), the auditor shall receive from each cemetery owner five dollars (\$5) per year. Money that the auditor receives under this subsection is the property of the office of the auditor.

*As added by P.L.52-1997, SEC.25.*

#### **IC 23-14-51-5**

##### **Violation of chapter; Class A misdemeanor**

23-14-51-5 Sec. 5. A person who knowingly violates this chapter commits a Class A misdemeanor.

*As added by P.L.52-1997, SEC.25.*